

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
CENTRAL DIVISION

In re:)
)
)

TOP LINE GRANITE DESIGN INC.)

Debtor)
)
)
_____)

Chapter 11
Case No. 22-40216-CJP

UNITED STATES TRUSTEE'S OBJECTION TO
DEBTORS' MOTION FOR AUTHORITY TO CONTINUE USING
EXISTING BANK ACCOUNTS AND BUSINESS FORMS

William K. Harrington, Esq., the United States Trustee, by and through counsel, hereby objects to Debtor's Motion for Authority to Continue Using Certain Existing Bank Accounts and Business Forms [Dkt. No. 55] (the "Motion"), and states as follows:

1. Top Line Granite Design Inc., (the "Debtor"), filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code, as a Subchapter V debtor, on March 25, 2022 (the "Petition Date"). Since the Petition Date, the Debtor has been operating its business as a debtor-in-possession with all the rights, powers and duties associated therewith as set forth in 11 U.S.C. §§ 1106 and 1107(a).

2. Steven Weiss, Esq. has been appointed Subchapter V trustee. The matters contained herein constitute a core proceeding under 28 U.S.C. § 157(b)(2)(A).

3. The Debtor is a stone fabricator, and also designs and installs countertops.

4. Through the Motion, the Debtor seeks to continue using three bank accounts with Avidia Bank ("Avidia") and "related cash management system" (Motion at p.1) because

because, in part, to do otherwise would cause “delays, confusion, and disruption to [the Debtor’s] operation.” (“Motion at ¶ 17).¹

5. The Debtor does not describe its current cash management system, other than to list the accounts as either business accounts or a payroll account. It is unclear how the accounts are funded, on what schedule, if any, and what amounts are generally held in each account.

6. Avidia, while an authorized depository for DIP accounts, apparently will not agree to establish DIP accounts for the Debtor.

7. It appears from the Motion that the only impediment to opening debtor-in-possession (“DIP”) accounts is that the immediate availability of funds, without a deposit hold, is not offered by the banks they have approached. (Motion at p.4-5). This does not constitute grounds for the relief sought by the Debtor.

8. Since the filing of the Motion, Avidia has filed an objection to the Motion, stating that it wished to shut down the Debtor’s current bank accounts all together.

9. The Debtor should not be allowed to continue using non-DIP accounts which contain none of the safeguards provided by the establishment and maintenance of DIP accounts.

10. The United States Trustee objects to the relief requested in the Cash Management Motion to the extent that the Debtor seeks to use any existing bank account which is not in compliance with section 345(b) of the Bankruptcy Code.

¹ The Debtor has a fourth account with Avidia which the Debtor states, without explanation, that it intends to close. (Motion at ¶ 8(iv))

WHEREFORE, the United States Trustee respectfully requests that this Court enter an order sustaining the United States Trustee's objection, denying the Motion, and granting other relief as is just and proper.

Respectfully submitted,
WILLIAM K. HARRINGTON
United States Trustee, Region I
By: /s/ Lisa D. Tingue
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Dated: April 27, 2022

CERTIFICATE OF SERVICE

I, Lisa D. Tingue, hereby certify that on April 27, 2022, I caused a copy of the foregoing document to be served by email through the Court's ECF system to all entities and interested parties that are registered users thereof in this case, and by electronic mail, to the twenty largest unsecured creditors.

/s/ Lisa D. Tingue
Lisa D. Tingue